

CALIFORNIA MEDICAL ASSISTANCE COMMISSION

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**CALIFORNIA MEDICAL ASSISTANCE COMMISSION**

State Capitol, Room 113
Sacramento, CA

Minutes of Meeting

December 8, 2005

COMMISSIONERS PRESENT

Michele Burton, M.P.H.
Diane M. Griffiths
Lynn Schenk
Cathie Bennett Warner
Vicki Marti

CMAC STAFF PRESENT

Keith Berger, Executive Director
Paul Cerles
Theresa Bueno
Denise DeTrano
Holland Golec
Charlotte Nuzum
Steve Soto
Michael Tagupa
Mervin Tamai
Carol Tate
Karen Thalhammer

COMMISSIONERS ABSENT

Marco Firebaugh
Teresa P. Hughes

EX-OFFICIO MEMBERS PRESENT

Bob Sands, Department of Finance
Toby Douglas, Department of Health Services

I. Call to Order

The December 8, 2005 open session meeting of the California Medical Assistance Commission (CMAC) was called to order by Commissioner Cathie Bennett Warner. A quorum was present.

II. Approval of Minutes

The November 17, 2005 meeting minutes were approved as prepared by CMAC staff.

At this time Commissioner Warner took a moment to welcome CMAC's new Commissioner, Michele Burton. She indicated that Commissioner Burton has extensive knowledge of health care services and will be an asset to the Commission.

Commissioner Burton expressed her appreciation for being appointed to the Commission and looks forward to working with the Commission and staff.

Commissioner Warner indicated that the former Chair McFadden wanted to extend her goodbyes to the Commission and staff and let everyone know that she enjoyed her time on the Commission.

Commissioner Schenk requested that the minutes reflect the appreciation of each Commissioner that served with former Chair McFadden, and that the Commission has benefited from her wisdom, guidance, and effective manner of running meetings. Commissioner Schenk expressed that the former Chair McFadden, was a delight to work with and will be greatly missed.

III. Executive Director's Report

Mr. Berger indicated that he would like to echo the comments of the Commissioners regarding outgoing Chair McFadden. He stated that she has been a real asset to the Commission, an effective Chair, a resource to the staff, and a great person to work with. She will be greatly missed.

On behalf of himself and the staff, Mr. Berger extended a formal welcome to Commissioner Burton. He indicated that he and the staff look forward to working with her and benefiting from her experience and knowledge as CMAC works through the many changes taking place in both hospital and managed care contracting programs.

Mr. Berger stated that on behalf of the staff he wanted to extend a thank you to all the Commissioners for their support and guidance during the past year. He stated that the Commission has had the important, challenging responsibility of maintaining access to health care for Medi-Cal beneficiaries while balancing the financial needs of the hospitals and health plans with the limited budgetary resources of the State.

He further stated that the staff and the Commission have had a successful year, thanks to the Commission's general oversight, guidance and willingness to actively engage in addressing difficult negotiation and policy issues.

Mr. Berger updated the Commission regarding the Private Hospital Supplemental Fund. He noted that CMAC staff has received all of the signed amendments back from the hospitals, and staff has delivered them to the Department of Health Services for

processing. The last communication from DHS indicated that the amendments were processed and have been sent to the DHS Accounting Office, which will then send the amendments to the State Controller's Office to issue the payments before the end of the year.

At the request of the outgoing Chair, Mr. Berger worked with the California Hospital Association to make sure all hospitals have been notified that the Commission is interested in receiving comments regarding issues the Commission should consider, as CMAC establishes and implements the new Distressed Hospital Fund. The hospitals were informed that comments may be submitted either through the hospital association or directly to CMAC.

Mr. Berger noted that, with the expanded scope of the request, CMAC extended the due date for comments from the end of November to December 16. Staff is confident that the comments will be submitted in time to summarize them for the Commission before our first meeting in January, which is scheduled for January 12.

CMAC has also invited hospitals and other interested parties to attend the January 12 Commission meeting and provide a verbal summary of their key comments to the Commission during the open session, so that if the Commissioners have any questions they may ask the presenters directly. CMAC staff will take all of the comments, suggestions and discussions into consideration, and will develop a proposal to present to the Commission as the next step in creating a program that will provide some additional assistance to selected contract hospitals around the state.

Mr. Berger noted that at today's meeting there are 57 hospital and managed care amendments and new contracts before the Commissioners for action, including new two-year contracts for the Geographic Managed Care health plans in the Healthy San Diego program.

IV. Department of Health Services Report

Toby Douglas reported that DHS is still working with Centers for Medicare & Medicaid Services (CMS) on the definition of the terms and conditions for the Certified Public Expenditures (CPE) methodology. Mr. Douglas stated that there are still some differences on how to define CPEs. He further stated that DHS is looking at other States and how they define their CPEs and how they are implemented and administered.

Mr. Douglas stated that DHS is working on a benefit coverage initiative, which is budgeted at \$180 million per year for the final three years of the hospital financing waiver. DHS has been meeting with interested stakeholders, the public hospitals, and

others in the community who are interested in this coverage initiative to help define the coverage. Mr. Douglas indicated that concept proposals on the coverage initiative must be submitted to CMS by January 31, 2006.

V. New Business/Public Comments/Adjournment

At this time, Commissioner Cathie Bennett Warner, along with the Executive Director Keith Berger, presented Charlotte Nuzum with a certificate of appreciation for her years of service to CMAC as an Administrative Assistant to the negotiators. Commissioner Warner indicated that Ms. Nuzum is retiring and that she will be missed.

There being no further new business and no comments from the public, Commissioner Warner recessed the open session. Commissioner Warner opened the closed session, and after closed session items were addressed, adjourned the closed session, at which time the Commission reconvened in open session. Commissioner Warner announced that the Commission had taken action on hospital and managed care contracts and amendments in closed session. The open session was then adjourned.